

## **Appendix D – Property Impacts**

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BPA construction alternatives include acquiring easements for approximately 55 to 75 miles of new 500-kV transmission line right-of-way. The new right-of-way would either parallel existing transmission line corridors, being offset by 1200 feet, or be routed in a new corridor location. BPA would utilize its existing access road system where possible, however, it is anticipated that additional access road easements would need to be acquired. For the Schultz-Blackrock alternative, BPA would also need to acquire fee title to property for a substation. BPA would pay market value to nonfederal landowners for any new land rights required for this project.

The landowners would be offered market value, established through the appraisal process, for the transmission line or access road easements, or for the fee acquisition of property needed for the substation. The appraisal process takes all factors affecting value into consideration including the impact of transmission lines on property value. The appraisals may reference studies conducted on similar properties to add support to valuation considerations. The strength of any appraisal is dependent on the individual analysis of the property, utilizing neighborhood specific market data in order to determine market value.

Impacts to property for new rights-of-way for transmission lines and access roads are discussed below.

**New transmission line right-of-way:** The predominant land use for the new transmission line right-of-way consists of irrigated and non-irrigated agricultural land, with a small portion being comprised of rural residential properties.

BPA's transmission line easement documents encumber the right-of-way area with land use limitations. The easement specifies, "the present and future right to clear the right-of-way and to keep the same clear of all trees, whether natural or cultivated, and all structure supported crops, other structures, trees, brush, vegetation, fire and electrical hazards, except non-structure supported agricultural crops less than 10 feet in height." The landowner may grow most crops or graze livestock. Special written agreements may be entered into between BPA and the landowner to allow Christmas, ornamental or orchard trees, and structure supported crops. Heights of the trees/crops and access must be controlled to maintain safe distances.

The impact of introducing a new right-of-way for transmission towers and lines can vary dramatically depending on the placement of the right-of-way in relation to the property's size, shape, and location of existing improvements. A transmission line may diminish the utility of a portion of property if the line effectively severs this area from the remaining property (severance damage). Whether a transmission line introduces a negative visual impact is dependent on the placement of the line across a property as well as each individual landowners' perception of what is visually acceptable or unacceptable.

If the transmission line crosses a portion of the property in agricultural use such as pasture or cropland, little utility is lost between the towers, but 100% of the utility is lost within the base of the tower. Towers may also present an obstacle for operating farm equipment, and controlling weeds at tower locations. To the extent possible, new transmission lines are designed to minimize the impact to existing and proposed (if known) irrigation systems. If the introduction of a transmission line creates a need to redesign irrigation equipment or layout, BPA compensates the landowner for this additional cost.

These factors as well as any other elements unique to the property are taken into consideration to determine the loss in value within the easement area, as well as outside the easement area in cases of severance. For those portions of the project route that require the 1200 foot separation between the new and existing 500-kV transmission lines, the appraiser will analyze whether there is an impact to the property's utility in this 1200 foot wide area.

Market value would be paid for any timber to be cut on the new right-of-way, as well as for any trees off the right-of-way that need to be cut for construction purposes or that pose a danger of falling into the line or across the access roads.

**New access roads:** If BPA acquires an easement on an existing access road and the landowner is the only other user, market compensation is generally 50% of full fee value or something less than 50% if other landowners share the access road use. For fully improved roads, the appraiser may prepare a cost analysis to identify the value of the access road easement. If BPA acquires an easement for the right to construct a new access road and the landowner has equal benefit and need of the access road, market compensation is generally 50% of full fee value. If the landowner has little or no use for the new access road to be constructed, market compensation for the easement is generally close to full fee value.

**New Substation:** If the Schultz-Blackrock alternative is selected, BPA would offer market value for the fee acquisition of approximately 25 acres needed for the Blackrock Substation.

**Property Value Impacts.** The proposed transmission line is not expected to have long-term impacts on property values in the area. Whenever land uses change, the concern is often raised as to the effect the change may have on property values nearby. Zoning is the primary means that most local governments use to protect property values. By allowing some uses and disallowing others, or permitting them only as conditional uses, conflicting uses are avoided. Some residents consider transmission lines to be an incompatible use adjacent to residential areas; however, this feeling is not universal.

The question of whether nearby transmission lines can affect residential property values has been studied numerous times in the United States and Canada over the

last twenty years or so, with mixed results. In 1995, BPA contributed to the research when it looked at the sale of 296 pairs of residential properties in the Portland, Oregon metropolitan area (including Vancouver, Washington) and in King County, Washington. The study evaluated properties adjoining 16 BPA high voltage transmission lines (subjects) and compared them with similar property sales located away from transmission lines (comps). All of the sales were in 1990 and 1991 and adjustments were made for time and other factors. The results of the study showed that the subjects in King County were worth approximately 1% less than their matched comps, while the Portland/Vancouver area subjects were worth almost 1.5% more (Cowger et al. 1996).

BPA recently updated this earlier study using 1994/95 sales data. The sales of 260 pairs of residential properties in King County and Portland/Vancouver metropolitan areas were reviewed. The information confirmed the results of the earlier study, i.e., that the presence of high voltage transmission lines does not significantly affect the sale price of residential properties. The residential sales did, however, identify a small but negative impact from 0 to 2% for those properties adjacent to the transmission lines as opposed to those where no transmission lines were present. Although this study identified a negative effect, the results are similar to the earlier study and the differences are relatively small (Cowger et al., 2000).

Studies of impacts during periods of physical change, such as new transmission line construction or structural rebuilds, generally have revealed greater short-term impacts than long-term effects. However, most studies have concluded that other factors, such as general location, size of property, improvements, condition, amenities and supply and demand factors in a specific market area are far more important criteria than the presence or absence of transmission lines in determining the value of residential real estate.

As a result of the proposed project, some short-term adverse impacts on property values (and salability) might occur on an individual basis; however, these impacts would be highly variable, individualized, and unpredictable. Constructing the transmission line is not expected to cause long-term adverse effects to property values along the right-of-way or in the general vicinity. Non-project impacts, along with other general market factors, are already reflected in the market value of properties in the area. These conditions are not expected to change appreciably. Therefore, no long-term impacts to property values are expected as a result of the proposed project.

#### **Mitigation:**

**Existing transmission line right-of-way:** One of the alternatives would be to tear down portions of the existing Vantage-Midway and portions of the Midway-Blackrock, 230-kV transmission lines and replacing them with a double circuit line. The new structures would generally be placed in the same locations as the existing lattice steel structures, or if possible, and desired by the affected landowner, be

placed in more convenient locations. Since the existing right-of-way in this area is 100 feet in width, this alternative would require BPA to acquire easements for additional width along the existing transmission line right-of-way. Land types along the existing right-of-way include rural residential and irrigated as well as non-irrigated agricultural properties. The existing transmission line right-of-way has already imposed land use limitations on the land uses along the right-of-way by the physical presence of the lines and structures, as well as by the use limitations imposed by the original easements. Overall, the impact of acquiring additional width right-of-way along scattered portions of the transmission line corridor is expected to be minimal in respect to acreage affected as well as impact to land uses and resources since the impact is already evident with the existing transmission line.